

Senate Bill No. 1273

CHAPTER 487

An act to amend Sections 11629.7, 11629.71, 11629.72, 11629.73, 11629.745, 11629.75, 11629.76, 11629.77, 11629.81, 11629.84, 11629.85, and 11629.86 of, and to repeal and add Section 11629.87 of, the Insurance Code, relating to insurance.

[Approved by Governor September 19, 2014. Filed with
Secretary of State September 19, 2014.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1273, Lara. Insurance: low-cost automobile insurance program.

(1) Existing law establishes within the California Automobile Assigned Risk Plan (CAARP) a low-cost automobile insurance program for all counties in California, until January 1, 2016, in order to provide a means for eligible consumers to buy automobile insurance, as specified. The parameters of the program, include, but are not limited to, value limits for the insured vehicle, initial ratesetting for certain counties, a surcharge for specified high-risk drivers, eligibility, sales commissions set at the rate CAARP pays for private passenger nonfleet risks, cancellation restrictions, rate and surcharge setting restrictions, and reporting requirements. Existing law limits the premium financing arrangements under the program to those offered by CAARP and one under which the insured pays no more than 15% of the policy cost initially followed by 6 payments.

This bill would revise and recast the parameters of the program by, among other things, deleting provisions that limit the initial implementation of the program to specified counties and that require the Insurance Commissioner to make a need-based assessment as to implementation in all other counties, by increasing the limits on the value of an automobile that can be insured through the program, and by additionally authorizing the value of an automobile to be determined by a method adopted by the CAARP Advisory Committee and approved by the commissioner. The bill would extend the repeal date of the program to January 1, 2020. The bill would also expand the surcharge and eligibility requirements to include drivers with fewer than 3 years of driving history, including a person who operates a motor vehicle with a specified type of driver's license, or drivers who have not been continually licensed for the past 3 years. The bill would require, after the January 1, 2017, rate filing, that subsequent rate filings be mandatory if the rate indication is a change of greater than 7% from the previous filing, or at the discretion of the CAARP Advisory Committee if the rate indication is a change of less than 7%. The bill would allow additional premium payment plans, subject to approval by the commissioner, including one

under which the insured pays no more than 20% of the policy cost initially followed by 7 payments.

(2) Existing law requires an agent or broker, referred to as a producer, to inform every new prospective automobile insurance policyholder who requests specified information that the low-cost automobile insurance policy may be available for qualifying motorists. Under existing law, if a consumer requests more information about the program from a producer who is not certified under the plan, that producer is required to provide the consumer with a toll-free telephone number for the plan as an alternative coverage option for the consumer.

This bill would allow those producers who are not certified to alternatively provide the consumer with the program's Internet Web site.

(3) Under existing law, a certified producer who issues a low-cost automobile insurance policy pursuant to the program is entitled to the same commission rate as is paid by the plan for private passenger, nonfleet risks.

This bill would instead, upon the setting of policy rates in 2015 as provided, entitle those certified producers to a commission of 12% or \$50, whichever is greater. The bill would require, by January 1, 2016, the CAARP Advisory Committee to report to the commissioner on a proposal, subject to approval by the commissioner, to allow a consumer to reinstate, in lieu of canceling, all policies that have been canceled for nonpayment of premium, and on a proposal, subject to approval by the commissioner, to allow consumers to keep policies in force by making installment payments by debit card or credit card. The bill would also require, by July 1, 2016, the CAARP Advisory Committee to report to the commissioner on a proposal, subject to approval by the commissioner, to allow access to the program for applicants 16 to 18 years of age who are economically independent and meet other eligibility guidelines, and for families who have an adult driver covered under the program and a driver 16 to 18 years of age in the household.

(4) Existing law requires the plan to report to the Legislature annually on the status of the program, and requires the commissioner to make an annual report to specified committees of the Legislature.

This bill would instead require the plan to make the former report to the commissioner and to include specified data in that report, and would require the commissioner to combine the 2 reports and submit the combined report to the Legislature on or before March 15 annually.

(5) Existing law requires, in order to be eligible for funding through the budget process, that the plan be reviewed by specified committees of the Legislature.

This bill would delete that provision.

(6) Existing law requires the plan, subject to the commissioner's approval, to establish and maintain an Internet Web site that provides members of the public with an option for either a referral to a list of certified agents or brokers, as specified, or an assignment to a randomly selected certified agent or broker, as specified.

This bill would delete the above provisions and instead require the Department of Insurance, by December 31, 2015, in consultation with the CAARP Advisory Committee, to establish a consumer-oriented Internet Web site that fulfills specified requirements, and would require by December 31, 2015, the CAARP Advisory Committee to develop a proposal, subject to approval by the commissioner, for interested consumers to apply for the program without physically visiting the office of a producer, as provided.

(7) This bill would make conforming changes.

The people of the State of California do enact as follows:

SECTION 1. Section 11629.7 of the Insurance Code is amended to read:

11629.7. (a) There is established, within the California Automobile Assigned Risk Plan established under Section 11620, a low-cost automobile insurance program for all counties in California.

(b) The commissioner, after a public hearing, shall approve or issue a reasonable plan for the equitable apportionment, among insurers required to participate in the California Automobile Assigned Risk Plan established under Section 11620, of persons who are eligible to purchase through the program a low-cost automobile insurance policy, as described in Section 11629.71. The program shall be conducted in conjunction with the California Automobile Assigned Risk Plan established under Section 11620.

SEC. 2. Section 11629.71 of the Insurance Code is amended to read:

11629.71. A low-cost automobile insurance policy for purposes of the program established under this article shall have all of the following attributes:

(a) The policy shall offer coverage in the amount of ten thousand dollars (\$10,000) for bodily injury to, or death of, each person as a result of any one accident and, subject to that limit as to one person, the amount of twenty thousand dollars (\$20,000) for bodily injury to, or death of all persons as a result of any one accident, and the amount of three thousand dollars (\$3,000) for damage to property of others as a result of any one accident.

(b) The coverage required by Section 11580.2 shall be made available to the consumer. However, an insurer may charge a premium for that coverage in addition to the premium set forth in Section 11629.72. Notwithstanding the coverage amounts required by Section 11580.2 and Section 16056 of the Vehicle Code, uninsured motorist coverage issued in conjunction with a low-cost automobile policy under the program, with coverage limits at least equal to the limits of liability in the underlying low-cost automobile policy, shall satisfy the requirements of Section 11580.2 and the financial responsibility requirements of Sections 4000.37, 16021, and 16431 of the Vehicle Code.

(c) Medical payments coverage shall be made available to the consumer. However, an insurer may charge a premium for that coverage in addition to the premium set forth in Section 11629.72.

(d) The policy shall have an initial term of one year, renewable on an annual basis thereafter.

(e) The policy shall cover the person named in the policy, and to the same extent that insurance is provided to the named insured, any other person using the automobile, provided the use is with his or her permission, express or implied, and within the scope of that permission, except that the policy shall not cover members of the named insured's household who do not satisfy the requirements of subdivisions (b) to (e), inclusive, of Section 11629.73.

(f) The policy shall provide coverage for an automobile with a value of twenty-five thousand dollars (\$25,000) or less, as evidenced by the value given to the automobile by the Department of Motor Vehicles in assessing vehicle license fees, or another method of determining market value adopted by the California Automobile Assigned Risk Plan Advisory Committee (CAARP Advisory Committee) and approved by the commissioner.

SEC. 3. Section 11629.72 of the Insurance Code is amended to read:

11629.72. (a) The annual rate offered under the program for each of the counties in California shall be established at a date according to the discretion of the commissioner. Surcharges, as a percentage of the base rate, shall be added to the base rate and that percentage shall be set at the discretion of the commissioner, if the named insured or a resident of the household of the named insured will be a driver of the automobile covered under the low-cost policy, and is either or both of the following:

(1) An unmarried male between 19 and 24 years of age.

(2) A person 19 years of age or older to whom any of the following applies:

(A) Operates a vehicle with a driver's license issued by the Department of Motor Vehicles pursuant to Section 12801.9 of the Vehicle Code and has fewer than three years of driving history.

(B) Has fewer than three years of driving history.

(C) Has not been continually licensed to drive for the past three years.

(b) (1) The California Automobile Assigned Risk Plan shall make available to an insured under the program, subject to approval by the commissioner, a premium installment option pursuant to which an insured is required to pay not more than 20 percent of the total policy cost upon issuance of the low-cost policy, followed thereafter by seven other payments. The plan may make additional payment plans available, subject to approval by the commissioner.

(2) No other premium financing arrangement shall be permitted.

(c) Rates for policies issued under the program in each county or city and county shall be reviewed and revised as follows:

(1) Rates shall be sufficient to cover (A) losses incurred under policies issued under the program, and (B) expenses, including, but not limited to, all reasonable and necessary expenses such as the costs of administration, underwriting, taxes, commissions, and claims adjusting, that are incurred due to participation in the program. For purposes of this paragraph, "losses incurred" means claims paid, claims incurred and reported, and claims

incurred but not yet reported. In assessing loss reserves, the commissioner shall only allow loss reserves that are estimated from actual losses in the program or comparable data by a licensed statistical agent, as adjusted to reflect coverage provided under the program.

(2) Rates shall be set so as to result in no projected subsidy of the program by those policyholders of insurers issuing policies under the program who are not participants in the program.

(3) Rates shall be set with respect to the program so as to result in no projected subsidy by policyholders in one county of policyholders in any of the other counties.

(4) (A) Commencing on January 1, 2015, and annually thereafter through January 1, 2017, the California Automobile Assigned Risk Plan shall submit the loss and expense data, together with a proposed rate and the surcharge authorized by subdivision (a) for the low-cost automobile policy for the program, to the commissioner for approval in accordance with this chapter. The commissioner shall act on the recommendation within 90 days.

(B) After the January 1, 2017, rate filing, subsequent rate filings are mandatory if the rate indication is a change of greater than 7 percent from the previous filing, or at the discretion of the CAARP Advisory Committee if the rate indication is a change of less than 7 percent.

SEC. 4. Section 11629.73 of the Insurance Code is amended to read:

11629.73. A low-cost automobile insurance policy under the program shall only be available for purchase by persons who satisfy the following eligibility requirements:

(a) The person shall be in a household with an annual gross household income that does not exceed 250 percent of the federal poverty level, as defined in Part 6.2 (commencing with Section 12693) or as defined in an equivalent manner that is approved by the commissioner.

(b) The person shall be no less than 19 years of age and have been continuously licensed to drive an automobile for the previous three years, except that a person who has not been continually licensed to drive or has fewer than three years of driving history may qualify for the surcharge under subdivision (a) of Section 11629.72.

(c) The person shall have not more than one of either, but not both, of the following within the previous three years:

(1) A property damage only accident in which the driver was principally at fault.

(2) A point for a moving violation.

(d) The person shall not have on record within the previous three years, an at-fault accident involving bodily injury or death.

(e) The person shall not have a felony or misdemeanor conviction for a violation of the Vehicle Code on his or her motor vehicle record.

(f) The person shall not be a college student claimed as a dependent of another person for federal or state income tax purposes.

SEC. 5. Section 11629.745 of the Insurance Code is amended to read:

11629.745. (a) An agent or broker, hereafter referred to as a producer, who conducts business in a county in which a low-cost automobile insurance

policy is available pursuant to this article shall inform every new prospective automobile insurance policyholder who requests a minimum limits or basic limits insurance policy, or coverage to meet California's minimum limits automobile insurance requirements, that the low-cost automobile insurance policy may be available for qualifying motorists. The information may be provided orally if the producer has been contacted by telephone, or in writing, but shall be communicated to the policyholder prior to the application for automobile insurance coverage in the language in which the producer has otherwise communicated with the consumer.

(b) If the consumer requests more information about the low-cost program the producer shall do either of the following:

(1) If the producer is California Automobile Assigned Risk Plan certified, provide the consumer with an explanation in an information pamphlet produced by the California Automobile Assigned Risk Plan and approved and provided by the Department of Insurance of the qualifications, cost, and coverage provided by the policy. If the consumer qualifies for the low-cost policy and wishes to purchase the policy, the California Automobile Assigned Risk Plan certified producer shall provide the application and, upon completion, submit the application, supporting documents, and the applicant's certification to the California Automobile Assigned Risk Plan. The submittal of the California Automobile Assigned Risk Plan application may be in addition to any other coverage offered or applied for through the producer.

(2) If the producer is not California Automobile Assigned Risk Plan certified, the producer shall provide the consumer with the toll-free telephone number for the California Automobile Assigned Risk Plan or the program's Internet Web site address as an option to coverage offered by the producer.

SEC. 6. Section 11629.75 of the Insurance Code is amended to read:

11629.75. (a) A certified producer shall provide to an applicant for a low-cost automobile insurance policy under this article a notice relating to coverage under the policy. The notice shall be provided in a separate document at the time of application, and include the following statement in 14-point boldface type:

“NOTICE

INSURANCE COVERAGE PROVIDED IN THE POLICY YOU ARE BUYING CONTAINS REDUCED LIABILITY COVERAGE FOR PERSONAL INJURIES OR PROPERTY DAMAGE RESULTING FROM THE OPERATION OF THE INSURED VEHICLE. IF LOSSES FROM AN AUTOMOBILE ACCIDENT EXCEED THE COVERAGE PROVIDED BY THIS POLICY, YOU CAN BE HELD PERSONALLY LIABLE AND RESPONSIBLE FOR THOSE LOSSES.

THIS POLICY PROVIDES LIABILITY COVERAGE FOR INJURIES OR DEATH CAUSED TO OTHER PERSONS IN THE TOTAL AMOUNT OF TEN THOUSAND DOLLARS (\$10,000) PER PERSON IN ANY ONE ACCIDENT, AND UP TO A TOTAL AMOUNT OF TWENTY

THOUSAND DOLLARS (\$20,000) FOR ALL PERSONS IN ANY ONE ACCIDENT. THE POLICY ALSO PROVIDES UP TO A TOTAL AMOUNT OF THREE THOUSAND DOLLARS (\$3,000) IN LIABILITY COVERAGE FOR PROPERTY DAMAGE IN ANY ONE ACCIDENT. IF YOU WANT MORE INSURANCE COVERAGE, YOU MUST REQUEST A DIFFERENT POLICY.

THIS POLICY ALSO DOES NOT COVER DAMAGE TO YOUR OWN VEHICLE, LOSSES RESULTING FROM YOUR BODILY INJURY OR DEATH, OR COVERAGE FOR LOSSES CAUSED BY AN UNINSURED OR UNDERINSURED DRIVER. HOWEVER, THESE OTHER COVERAGES MAY BE AVAILABLE AT EXTRA COST THROUGH OTHER INSURERS.

THIS POLICY MAY ALSO CONTAIN UNINSURED MOTORIST BODILY INJURY COVERAGE IN THE TOTAL AMOUNT OF TEN THOUSAND DOLLARS (\$10,000) PER PERSON IN ANY ONE ACCIDENT AND UP TO A TOTAL AMOUNT OF TWENTY THOUSAND DOLLARS (\$20,000) FOR ALL PERSONS IN ANY ONE ACCIDENT, IF YOU SO CHOOSE. IN ADDITION, THIS POLICY MAY ALSO CONTAIN MEDICAL PAYMENTS COVERAGE IN THE AMOUNT OF ONE THOUSAND DOLLARS (\$1,000) PER PERSON IN ANY ONE ACCIDENT, IF YOU SO CHOOSE.

THIS POLICY DOES NOT COVER ANY OTHER DRIVER IN YOUR HOUSEHOLD WHO:

- (a) IS UNDER 19 YEARS OF AGE; OR
- (b) HAS LESS THAN 3 YEARS OF CONTINUOUSLY LICENSED DRIVING EXPERIENCE (UNLESS THE POLICY INCLUDES A SURCHARGE FOR THIS DRIVER); OR
- (c) HAS MORE THAN ONE OF EITHER, OR BOTH, OF THE FOLLOWING:

—A PROPERTY DAMAGE ONLY ACCIDENT IN WHICH THE DRIVER WAS PRINCIPALLY AT FAULT.

—A POINT FOR A MOVING VIOLATION; OR

- (d) HAS IN THE PREVIOUS 3 YEARS AN AT-FAULT ACCIDENT INVOLVING BODILY INJURY OR DEATH; OR

- (e) HAS A FELONY OR MISDEMEANOR CONVICTION FROM A VIOLATION OF THE VEHICLE CODE ON HIS OR HER MOTOR VEHICLE RECORD.”

(b) When the certified producer establishes delivery of the disclosure form specified in subdivision (a) by obtaining the signature of the applicant or insured, there shall be a conclusive presumption that the certified producer has complied with the disclosure requirements of this section.

SEC. 7. Section 11629.76 of the Insurance Code is amended to read:

11629.76. (a) (1) For a low-cost automobile insurance policy issued pursuant to the program, certified producers shall be entitled to the same commission rate as is paid by the California Automobile Assigned Risk Plan for private passenger, nonfleet risks under Article 4 (commencing with

Section 11620). The commission rate prescribed in this paragraph shall only be in effect until the conditions described in paragraph (2) are fulfilled.

(2) Effective upon the setting of policy rates in 2015 pursuant to Section 11629.72, for a low-cost automobile insurance policy issued pursuant to the program, certified producers shall be entitled to a commission rate of 12 percent or fifty dollars (\$50), whichever is greater.

(b) Notwithstanding subdivision (a), the commissioner may at any time establish a commission for a low-cost automobile insurance policy issued pursuant to the program and may make the commission effective on any policy originated within an entire year, or any portion of a year, as is needed to provide an incentive to certified producers to sell low-cost automobile insurance to eligible applicants. The commissioner shall not establish a commission pursuant to this subdivision if the commissioner determines that setting the commission rate will result in a lower commission than the commission paid by the California Automobile Assigned Risk Plan for private passenger, nonfleet risks under Article 4 (commencing with Section 11620).

(c) No other fees of any kind may be charged or collected pursuant to this section and the sale of a low-cost policy under this article shall not be conditioned on the purchase of any other product or service.

SEC. 8. Section 11629.77 of the Insurance Code is amended to read:

11629.77. (a) A low-cost automobile insurance policy issued pursuant to the program shall be canceled only for the following reasons:

- (1) Nonpayment of premium.
- (2) Fraud or material misrepresentation affecting the policy or the insured.
- (3) The purchase of additional automobile liability insurance coverage in violation of subdivision (a) of Section 11629.78.
- (4) The purchase or maintenance of automobile liability insurance coverage other than a low-cost policy for any additional vehicles in the insured's household, in violation of subdivision (b) of Section 11629.78.

(b) A policy shall be nonrenewed only for the following reasons:

- (1) A substantial increase in the hazard insured against.
 - (2) The insured no longer meets the applicable eligibility requirements.
- In this regard, the eligibility of an insured shall be recertified by the California Automobile Assigned Risk Plan after the first year of eligibility, and annually thereafter by the insurer that issued the policy.

(c) By January 1, 2016, the CAARP Advisory Committee shall report to the commissioner on a proposal, subject to approval by the commissioner, to allow a consumer to reinstate, in lieu of canceling, all policies that have been canceled for nonpayment of premium, and on a proposal, subject to approval by the commissioner, to allow consumers to make installment payments by debit card or credit card. The CAARP Advisory Committee shall also report, by July 1, 2016, on a proposal, subject to approval by the commissioner, to allow access to the program for applicants 16 to 18 years of age who are economically independent and meet other eligibility guidelines, and also for families who have an adult driver covered under the program and a driver 16 to 18 years of age in the household.

SEC. 9. Section 11629.81 of the Insurance Code is amended to read:

11629.81. (a) The California Automobile Assigned Risk Plan shall report to the commissioner on an annual basis, and at those additional times as it deems prudent, on the status of the program. The report shall include data regarding new policies, renewed policies, and policy cancellations or nonrenewals.

(b) The department shall combine the report pursuant to subdivision (a) with the report required by Section 11629.85 and submit the combined report to the Legislature on or before March 15 of each year.

(c) A report submitted pursuant to subdivision (b) shall be submitted in compliance with Section 9795 of the Government Code.

SEC. 10. Section 11629.84 of the Insurance Code is amended to read:

11629.84. This article shall remain in effect only until January 1, 2020, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2020, deletes or extends that date.

SEC. 11. Section 11629.85 of the Insurance Code is amended to read:

11629.85. (a) Notwithstanding Section 10231.5 of the Government Code, on or before March 15 of each year, the commissioner shall prepare and propose a plan in a report to the Legislature setting forth the methods the commissioner intends to implement to inform households eligible for the program about the availability of low-cost automobile insurance.

(b) The plan shall include, at a minimum, a brief description of methods proposed to be used, anticipated costs, sources of revenue, goals, targets, objectives, and a justification of the proposed methods. The plan shall also explain how the department proposes to work in cooperation with the California Automobile Assigned Risk Plan, the social service agencies, the Department of Motor Vehicles, and community-based organizations in order to inform eligible households of the existence of the program.

(c) The plan shall also include all of the following:

(1) The commissioner's determination regarding whether the program has been successful, based on the criteria specified in subdivision (d), and an explanation regarding that success or lack thereof.

(2) In cooperation with the California Automobile Assigned Risk Plan, structural characteristics of the program that may require statutory revision in order for the program to succeed or to improve upon existing success.

(3) Impediments to success of the program that can reasonably be overcome by revision to the strategies adopted by the department.

(4) A detailed explanation of the department's use for the program of funds assessed pursuant to Section 1872.81 for the previous fiscal year.

(5) For the previous calendar year, a list of the total low-cost auto premium for each county in which the program was available.

(d) The program is successful if the following occur:

(1) The program generated sufficient premiums to cover losses incurred under policies issued under the program, and expenses incurred by the program, as calculated pursuant to subdivision (c) of Section 11629.72.

(2) The program served the public purpose of offering access to automobile insurance to otherwise underserved communities in the program areas.

(3) The program offered access to automobile insurance to previously uninsured motorists seeking affordable coverage in the program areas.

(4) The program's outreach efforts lead uninsured motorists to contact a producer, and the driver obtains any auto insurance policy that complies with California law.

(e) Any written or oral advertisements, including, but not limited to, paid or unpaid commercial or noncommercial advertising, by the department with reference to the low-cost automobile insurance program shall reference the department and shall not reference the commissioner by name or office, or include the commissioner's voice, image, or likeness. The department shall not participate with any nongovernmental entity that produces or intends to produce advertisements or educational material that include the name of the commissioner or his or her voice, image, or likeness, and that are intended to make eligible households aware of the existence of low-cost automobile insurance.

(f) A report submitted pursuant to subdivision (a) shall be submitted in compliance with Section 9795 of the Government Code.

SEC. 12. Section 11629.86 of the Insurance Code is amended to read:

11629.86. (a) A California Automobile Assigned Risk Plan certified producer may accept and process an application to purchase a low-cost automobile insurance policy under this program through an Internet Web site, in accordance with this section and regulations adopted by the department pursuant to this section.

(b) Any producer seeking certification to accept and process low-cost automobile insurance policy applications through an Internet Web site shall notify the California Automobile Assigned Risk Plan of its intentions to do so prior to accepting any applications to the program.

(c) Prior to accepting payment and upon transmitting any information from the consumer, the producer's Internet Web site shall include a clear explanation of whether the consumer will be afforded insurance coverage upon payment and, if not, when the consumer will receive coverage and how he or she will receive notice of coverage.

(d) A producer accepting and processing applications through an Internet Web site shall be entitled to the same commission available to a producer selling a low-cost automobile insurance policy by any other means acceptable under the law.

(e) Any producer accepting and processing applications through an Internet Web site is subject to the laws and rules governing this program and is liable for any errors and omissions related to the transaction of insurance to the same extent as a producer selling a low-cost automobile insurance policy by any other means acceptable under the law.

(f) Any consumer information required by this article may be accepted by electronic means after the department adopts regulations implementing

this section and only if the information is submitted in accordance with those regulations.

(g) The California Automobile Assigned Risk Plan shall coordinate with the department in order to develop a system for receiving and assigning policies issued through Internet Web sites.

(h) The California Automobile Assigned Risk Plan may request, and the department may include in its plan submitted pursuant to Section 11629.85, up to fifty thousand dollars (\$50,000) from the department's existing consumer outreach fund to be used for the sole purpose of implementing this section.

SEC. 13. Section 11629.87 of the Insurance Code is repealed.

SEC. 14. Section 11629.87 is added to the Insurance Code, to read:

11629.87. (a) The department shall, by December 31, 2015, in consultation with the CAARP Advisory Committee, establish and maintain a consumer-oriented Internet Web site that provides all of the following:

(1) Referral to a list of certified agents or brokers with an office in the same geographic area as the consumer who may be contacted to purchase a low-cost automobile insurance policy.

(2) Information about the eligibility requirements, benefits, and limits of the low-cost automobile insurance policy.

(3) Notification that if a consumer does not qualify for the low-cost automobile insurance policy, other policies may be available from producers or insurers, and directing the consumer to the department's automobile insurance premium comparison Internet Web page.

(b) The CAARP Advisory Committee shall develop a proposal, by December 31, 2015, subject to approval by the commissioner, for interested consumers to apply for the program without physically visiting the office of a producer. This proposal may include the electronic uploading of documents, electronic signatures, linking eligible hotline callers and Internet Web site visitors directly to one or more producers, and electronic payments.